



MARYLAND DEPARTMENT OF THE ENVIRONMENT

1800 Washington Boulevard • Baltimore MD 21230

410-537-3000 • 1-800-633-6101

Martin O'Malley
Governor

Shari T. Wilson
Secretary

Anthony G. Brown
Lieutenant Governor

Robert M. Summers, Ph.D.
Deputy Secretary

March 3, 2010

The Honorable Maggie L. McIntosh, Chairman
Committee Members, House Environmental Matters Committee
House Office Building, Room 251
6 Bladen Street
Annapolis, Maryland 21401

Re: Letter of Support, House Bill 974
Nutrient Trading – Voluntary Agricultural Nutrient Credit Certification Program

Dear Chairman McIntosh and Committee Members:

The Department supports House Bill 974, which authorizes the State Department of Agriculture to establish a nutrient credit certification program for nutrient credits voluntarily generated on agricultural land. Achieving our Bay restoration goals will require significant reductions in nutrient loads from agricultural activities in the Bay watershed and a nutrient credit trading program can play an important role in achieving those reductions. Establishing a credit certification program that provides for verification and registration of nutrient offsets, as well as the development of standards to quantify nutrient reductions, will provide incentives to finance and implement offset projects on agricultural land that achieve reductions over and above existing regulatory requirements and could facilitate the development of a robust trading market.

Importantly, House Bill 974 expressly preserves the authority of the Department of Environment to establish eligibility and other requirements for the use of nutrient offset credits in its permit and other regulatory programs. In this regard, MDE has adopted a point source nutrient trading policy which governs use of nutrient offset credits to meet permit obligations under its discharge permit program. Nutrient credits that receive certification by the Department of Agriculture may be eligible for future use in MDE's discharge permit program, provided they also meet MDE's regulatory requirements. MDE is working closely with MDA to develop its credit certification program and expects to use MDA certified credits in its regulatory programs as appropriate, depending on the details of federal and State regulatory credit trading programs that are still under development.

Please contact me at 410-537-3812 or by email at lnissley@mde.state.md.us if you have any questions.

Sincerely,

Lisa Nissley

cc: The Honorable Doyle L. Niemann
Heather Barthel, Director of Legislation and Policy